

**STREETS DEPARTMENT
FISCAL YEAR 2025 BUDGET TESTIMONY
APRIL 10, 2024**

INTRODUCTION

Good Morning, President Johnson and Members of City Council. I am Kristin Del Rossi, Streets Commissioner. Joining me today are Richard Montanez, Deputy Commissioner for Transportation, and Christopher Newman, Deputy Commissioner for Administration. I am pleased to provide testimony on the Streets Department's Fiscal Year 2025 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Department of Streets (Streets) provides safe streets in a cost-effective and efficient manner to make Philadelphia the safest, cleanest, and greenest big city in the nation with access to economic opportunity for all. The Department constructs and maintains the City's transportation network and ensures the safety of multi-modal users to achieve Vision Zero goals.

Plans for Fiscal Year 2025:

Vision Zero Strategy: Streets will focus on Vision Zero strategic objectives as outlined in the City's Transportation Plan, operationalizing efforts to improve traffic safety, including infrastructure improvements to the city's street network. Primary attention will be given to the City's High Injury s Network, representing 12 percent of the total street corridors that are responsible for 50 percent of all traffic deaths and severe injuries. Concept design solutions will be incorporated in identified high-injury streets, including bump-outs, speed cushions, modern-day roundabouts, pedestrian countdown traffic signals, protected bike lanes and pedestrian trails, safe crosswalks, new medians, and other traffic safety improvements. All solutions will be driven by the objective assessment of accident and traffic data.

Roadway Resurfacing Strategies: City streets and roadways must be resurfaced and maintained at optimal life cycle intervals to maintain the local street network in a state of good repair. While there is \$250 million in Capital Program funds available through FY25, recent legal requirements necessitate the allocation of significant resurfacing funds for Americans with Disabilities Act (ADA) ramp construction for all intersection curb ramps adjacent to roadway resurfacing. This has significantly restricted the amount of roadway resurfacing that can be completed via traditional operations. Accordingly, Streets will address this critical issue on multiple fronts. The Department is assessing the viability of alternative and less expensive roadway surface technologies, materials, and processes to extend the life cycle of the street network as much as possible. The Department also will capitalize on state and City interagency partnerships to share resources where roadway work is being completed to mitigate overall resurfacing costs and expand overall resurfacing work and will explore information technology solutions to maintain comprehensive data on roadway quality conditions to ensure that work is focused on the streets and roadways where it is most needed.

Philly Streetlight Improvement Project (PSIP): Streets' Philly Streetlight Improvement Project (PSIP) is greatly accelerating the City's LED lighting conversion efforts. The Department, in collaboration with the Office of Sustainability (OOS) and Philadelphia Energy Authority (PEA),

will continue to move forward with this ambitious plan to modernize and convert the entire Citywide street lighting system to more energy-efficient and effective LED lights, which will maximize light output and reduce energy consumption. Over 130,000 streetlights are expected to be converted to LED lighting during the next three years. The project is designed to improve operations and maintenance capabilities and enhance nighttime visibility for pedestrians and motorists. Conversions will include street and roadway lighting as well as alleyways.

Federally-Funded Infrastructure Improvements: The Department is leveraging federal funding from the Bipartisan Infrastructure Law (BIL) for much-needed roadway, bridge, and traffic infrastructure reconstruction and upgrades. The BIL represents a tremendous opportunity to stabilize and extend the life of transportation infrastructure assets across the city. Streets is on track to spend \$567 million over the next five years and has already committed \$114.4 million for projects already moving forward supported by BIL funds. Streets will work with the Office of Transportation, Infrastructure and Sustainability (OTIS) to identify, prioritize, and plan the remaining BIL-funded projects that promise to greatly enhance the City's transportation infrastructure assets.

Vision Zero-Based Capital Program: The Department maintains a highly effective capital program, coordinating and performing review and approval for multiple projects within deadlines. The Department's Capital Program work is aligned with the Vision Zero and Transportation Plan initiatives. Streets is working to restore multi-modal access to neighborhoods and closing the gaps to provide safe egress for pedestrians and bicyclists in key breaks to the city's multi-modal network. In addition, Streets is increasing bridge inspections and ratings to identify the most structurally deficient bridges so that it can initiate rehabilitation or construction before they are closed for emergency repairs (at extremely high costs to the City).

Enhanced Enforcement Capability: The Department continues to focus on the City's Vision Zero strategy — dedicated to eliminating all traffic fatalities by 2030 — and long-term transportation planning for the safe and efficient movement of traffic, particularly for pedestrians and bicyclists, when roads and sidewalks are closed or obstructed because of development, construction, events, or other activities. A significant component of these efforts is the Department's work with the Law Department and L&I to authorize denial of permits for construction work that negatively impacts the public right-of-way. This includes construction that substantially affects the safe and efficient egress of multi-modal traffic. Streets deployed smart technology mobile devices to help inspectors efficiently identify, inspect, and follow-up on street closures and encroachments, and to issue violation notices to curtail illegal and potentially dangerous right-of-way concerns. This has enabled inspectors to perform significantly more right-of-way inspections with greater accuracy and improved enforcement capability, and it is anticipated that it will continue to significantly improve right of way enforcement going forward.

Outdoor Dining Program Assessment: The Department is closely monitoring the effectiveness of the recently established Outdoor Dining Program and will assess whether further program changes are necessary going forward. Streets will look to make improvements in collaboration with stakeholders to maximize the number of streeteries, thereby enhancing economic vitality while properly balancing safety issues in the public right of way.

Safe Routes to School Strategy: The Department is actively working on increasing the impact and effectiveness of the City's School Crossing Guard Program. Streets will partner with all local schools serviced by City crossing guards to establish specific, localized safe routes for children

traveling to and from school, and to assess the degree of coverage necessary on each travel route. This includes the number of guards needed for effective intersection coverage around each school, necessary support along routes, and establishment of the safest routes. The Department will assign district managers to work closely with area schools to establish safe route to school strategies for each school.

Public Traffic Safety Management Assessment: The Department’s new Public Traffic Safety Enforcement program will focus traffic management and control activities on targeted intersections in Center City and intersections within the City’s High-Injury Network. In addition, the Department will conduct a comprehensive assessment of the salient factors requiring traffic control efforts, beyond high-volume accidents, to determine where traffic management safety and traffic congestion mitigation control is most needed. The Department’s Public Safety Enforcement Officers will be used to perform this work.

PROPOSED BUDGET OVERVIEW

Transportation Fund Financial Summary by Class				
	FY24 Original Appropriations	FY24 Estimated Obligations	FY25 Proposed Appropriations	Difference: FY25-FY24
Class 100 - Employee Compensation	\$50,455,160	\$50,801,224	\$50,801,224	\$0
Class 200 - Purchase of Services	\$13,990,739	\$15,455,739	\$13,990,739	(\$1,465,000)
Class 300/400 - Materials, Supplies & Equipment	\$9,624,523	\$10,019,523	\$9,624,523	(\$395,000)
Class 800 - Payment to Other Funds		\$2,005,983	\$2,145,593	\$139,610
Total	\$74,070,422	\$78,282,469	\$76,562,079	(\$1,720,390)

Proposed Funding Request:

The proposed Fiscal Year 2025 Transportation Fund budget totals \$76,562,079 for the Streets Department, a decrease of \$1,720,390 over Fiscal Year 2024 estimated obligation levels. The decrease in the Streets Department’s Transportation Fund is primarily due to the elimination of one-time funding received during Fiscal Year 2024 for street lighting improvements and traffic calming.

The proposed budget includes:

- \$50,801,224 in Class 100 for the Streets Department, equal to the amount received during FY24. This funding will pay for employee compensation, including salary and overtime costs.
- \$13,990,739 in Class 200, a \$1,465,000 decrease from FY24. This funding will pay for contracted services, including snow contractor operations services, professional services contracts, and training and development services. The decrease is primarily attributed to the aforementioned reduction in one-time funding infusion for street lighting improvements and traffic calming during FY24.

- \$9,624,523 in Class 300/400, a \$395,000 decrease from FY24. This funding will support the Department through the purchase of supplies, materials and equipment to help sustain our various operations. The slight decrease in funding is attributable to a non-recurring mid-year transfer appropriation added in FY24.
- \$2,145,593 in Class 800, a slight \$139,610 increase from FY24. This funding is utilized to transfer funding to other non-Transportation Fund categories if necessary.

STAFFING LEVELS

The Department is requesting 820 Transportation Fund budgeted positions for FY25, a slight increase of 11 positions from FY24. This slight increase is primarily intended to fund additional enforcement officers in the Department’s Public Traffic Safety Enforcement Program.

The below table represents the full number of positions for both Transportation Fund and General Fund positions in the Department. This includes the Transportation Division, Sanitation Division and Administration Division.

Employment Levels (as of December 2023)		
	FY25 Budgeted	Filled as of December 2023
Number of Full-Time Positions	2,705	2,010
Number of Part-Time Positions	843	733
Number of Exempt Positions	18	18
Number of Executive Positions (deputy level and above)	20	20
Average Salary of All Full-Time Positions	\$48,185	\$50,295
Median Salary of All Full-Time Positions	\$42,379	\$42,379

NEW HIRES

New Hires (from 7/1/2023 to December 2023)		
	Total Number of New Hires	Spanish
Black or African American	170	
Asian	5	
Hispanic or Latino	5	
White	14	1
Other	9	
Total	203	1

Detail for new hires since December 2023, if applicable:
 FTE New Hires: Black 91, Asian 3, Hispanic 3, White 7 (1 language Arabic - ARA), Other 5
 School Crossing Guards: Black 24, Asian 0, Hispanic 3, White 8, Other 1
 Future Track and Other Intern/Temp/Student Hires: Black 40, Asian 2, Hispanic 4, White 7, Other 12

PROGRAM BASED BUDGETING:

Paving & Roadway Maintenance & Repair

Program Number: 1204

FY25 Proposed Transportation Fund: \$22,607,860

Program Description: This program maintains streets, Americans with Disabilities Act (ADA) compliant ramps, and roadways by repaving and repairing deteriorating road conditions, including potholes. This program also removes snow and ice, and scales back overgrown vegetation that affects traffic flow.

FY25 Strategic Goals:

Resurfacing Miles: The Department has set a goal of resurfacing a minimum of 100 miles of city streets and roadways in FY25.

ADA Ramp Installation: Construct and/or restore a minimum of 1,500 ADA ramps intersecting with City roadway resurfacing work.

Increase Asphalt Speed Cushion Installation: Given the demand for speed cushion installation, the Department will increase the quantity of permanent asphalt speed cushions that crews will install during FY25.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Pothole response time (days)*	3.1	3.0	3.0
Percentage of time potholes are repaired within three days**	82.5%	90.0%	90.0%

*Roadway repair crews were understaffed in FY23, which impacted response time. Streets has been actively working to fill vacancies and has also been able to deploy additional resources to pothole repair in FY24, as priority work for other operations had been completed or was on-hold pending contractor preparatory work being completed.

**Understaffing greatly impacted operations in FY23. The staffing situation has improved so far in FY24 and better results are expected moving forward.

Right-of-Way (ROW) Management

Program Number: 1205

FY25 Proposed Transportation Fund: \$4,666,614

Program Description: This program ensures the safe movement of traffic, including vehicles, bicycles, and pedestrians, when streets and sidewalks are closed or detoured due to construction work. This program also is responsible for determining the location, time, method, and manner for openings or excavations of city streets for utility construction and repair.

FY25 Strategic Goals:

ROW Plan Designs: The Department will maintain a minimum annual average of 85 percent of right-of-way plan design reviews completed on time during FY25.

ROW Inspections: Streets will complete a total of 30,000 right-of-way inspections in FY25.

ROW management fees: The Department plans to implement a new method of collecting ROW management fees in which fees would be collected at the time of permit issuance based on a per linear foot of street opening for each permit. This should meet the requirements of recent court cases regarding local imposition of management fees. Management fees have not been collected for several years pending this change, therefore, this initiative is projected to add additional right of way management revenues when completed.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Percent of Right-of-Way (ROW) plan designs completed on-time	86%	80%	85%
Number of Right-of-Way (ROW) inspections	30,938	28,000	30,000

Traffic Engineering, Maintenance & Management

Program Number: 1206

FY25 Proposed Transportation Fund: \$10,215,956

Program Description: This program identifies problematic intersections and develops solutions to ensure traffic safety and efficiency in these areas. This program also oversees the installation and operation of traffic control devices and signage.

FY25 Strategic Goals:

Traffic Operations Center Signal Connections: Increase the number of signalized intersections connected to the Traffic Operations Center (TOC) by two percent to an overall total of 52 percent during FY25, to allow for remote signal changes to respond to changing traffic patterns.

Reduce Traffic Fatalities: Implement traffic safety measures that reduce traffic fatalities by five percent during FY25.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Average days to repair traffic light	1	1	1
Average days to repair traffic sign: A-level work order*	9.5	10.0	10.0
Average days to repair traffic sign: B-level work order**	9.5	20.0	20.0
Average days to repair traffic sign: C-level work order***	23.0	35.0	30.0

*An A-level work order is of the highest priority. This rating applies when there is any work required to replace damaged signs/posts, or remove conditions, that represent an immediate hazard to public welfare and safety. Examples include: signposts knocked down; pole stumps; missing Stop signs when no other sign is available for respective approach; and Yield, One-Way, and Do Not Enter signs.

**A B-level work order is of the first level of medium priority. This rating applies when work is required to install or replace any Regulatory (R-Series) Signs not considered A-level priority; Warning (W-Series) Signs; and School Signs. However, if any work is required to remove a hazardous condition, it becomes a Priority A work order.

***A C-level work order is of the second level of medium priority. This rating applies when work is requested by the general public. This may include installation or replacement of Parking Signs and Informational Signs, including Street Name Signs; and faded (but legible) signs. However, if any work is required to remove a hazardous condition, it becomes a Priority A work order.

Street Lighting Maintenance & Repair

Program Number: 1207

FY25 Proposed Transportation Fund: \$4,735,310

Program Description: This program is responsible for Philadelphia’s 106,000 streetlights. Contractors respond to service complaints, inspect lights that are not working, and replace lamps and photo-controls. PECO powers all streetlights and repairs utility lines. City workers repair downed streetlight poles and broken luminaries and replace obsolete equipment.

FY25 Strategic Goals:

Leverage Grant Opportunities: The Department will leverage available state and local grants to expand opportunities to install additional LED street lighting beyond the traditional installation upgrades.

Increase LED Lighting Conversions: The ongoing implementation of a performance contract with an energy service company will continue to vastly expand the number of LED lighting conversions from 2000 to over 5,000 per month going forward.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Average time to repair a street light pole knockdown (days)*	163.8	100.0	100.0
Average time to repair a street light foundation (days)*	266.3	90.0	100.0
Average response time for major street lighting repairs (days)	45	45	45
Streetlights converted to LED lighting**	1,229	24,000	50,000

*Staffing challenges have impacted this metric. Additional staff has been hired, however, and this metric is expected to improve in FY24 and FY25.

**The new Philadelphia Streetlight Improvement Project (PSIP) provides for bond-funded contractor LED conversions, and it is expected that 130,000 lights will be completed over a two to three year period. For FY24, that amount is expected to be approximately 24,000, as this is the first year of implementation. For FY25, that amount is expected to be 50,000.

Engineering Design & Construction

Program Number: 1208

FY25 Proposed Transportation Fund: \$14,605,212

Program Description: This program coordinates, reviews, and approves private development and roadway, signal, and streetscape projects. Projects are opportunities to develop systemic efficiencies, reduce fuel consumption, and expand bike and pedestrian pathways.

FY25 Strategic Goals:

Increase Design Project Completion: Increase the percentage of completed design projects by three percent.

Increase Construction Project Completion: Increase percentage of completed construction projects by three percent.

Implement Project Management System: The Department plans to implement a new enterprise project management system, the design of which is scheduled to be completed by the end of FY25. This system will align project management, coordination of public works grants, and grant-funded deadlines and reimbursements to complete more projects and maximize the available grant funding stream for them.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Number of ongoing construction projects	37	40	40
Number of ongoing designs	41	50	50

City Streets Plans & Surveys

Program Number: 1209

FY25 Proposed Transportation Fund: \$5,689,015

Program Description: This program studies and revises the City’s general street system plans while also maintaining maps of land use, the general overall layout of city streets, and street names. This program also maintains street and surveying plans, which are available upon public request.

FY25 Strategic Goals:

Survey Benchmark Installation: Reestablish a minimum of 50 survey benchmark monuments throughout the city during FY25. Survey benchmark monuments serve as essential marked reference points used when assessing and determining the precise location of land divisions within the city. Many of these have been destroyed over the years due to roadway and ramp construction work.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Average days survey district response time	30	32	32
Total cost of survey services provided to others	\$2,582,829	\$2,700,000	\$2,700,000

General Administrative Support

Program Number: 1210

FY25 Proposed General Fund: \$7,177,364

Program Description: This program is responsible for agency-wide management, including finance, human resources, occupational health and safety, and planning and analysis.

FY25 Strategic Goals:

Future Track Workforce Development Program: Successfully hire a minimum of 100 participants from the Future Track Workforce Development Program into permanent, full-time civil service positions.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Number of operating invoices processed*	4,793	5,000	5,000
Average days to process operating invoices	2.9	3.0	3.0

*Streets' Budget Unit recently experienced attrition in clerical processing staff. This has impacted the unit's ability to expeditiously process invoices. The Department is hiring new staff to address this.

School Crossing Guards

Program Number: 1217

FY25 Proposed Transportation Fund: \$12,537,275

Program Description: This program is responsible for the safety of Philadelphia students walking and biking to and from schools.

FY25 Strategic Goals:

Intersection Analysis: Streets will complete a comprehensive analysis of intersections near K-12 schools to prioritize those most in need of crossing guard coverage, together with the most effective efficient utilization and deployment of guards at traffic intersections.

FY25 Performance Measures: *No measures associated with this program*

Public Traffic Safety Enforcement:

Program Number: 1218

FY25 Proposed Transportation Fund: \$1,504,837

Program Description: This program is responsible for promoting driver, pedestrian, and bicycle safety by directing traffic at key intersections to manage congestion; and issuing tickets for non-moving traffic violations.

FY25 Strategic Goals:

Program Staffing: The Department will fully staff a minimum of 28 program positions during FY25.

Traffic Control Training: Streets will provide certified professional skills training from an expert source to train staff on proper traffic control techniques, practices, and procedures. It is anticipated that this will certify staff as expert traffic control professionals.

FY25 Performance Measures: *No measures associated with this program*

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

A variety of grants and state funding allocations represents a large portion of the Department's overall FY25 requested budget appropriations. This includes multiple state and federal grants, as well as the state-provided Special Gas Tax, County Liquid Tax, and Title Registration Fee funding allocations.

As a result of Pennsylvania Act 89, comprehensive transportation legislation enacted by the state, the Department continues to receive significant Special Gas Tax (SGT) formula funding. The Department has budgeted \$39.9 million in SGT funding for FY25. The state's annual County Liquid Tax Fund allocation is also included as part of the Department's FY24 budget at \$11.9 million. This includes approximately \$8 million from vehicle title registration fee revenues through a provision of Act 89, which enabled Philadelphia County to increase new vehicle title registration fees and direct the revenue generated to the City's Streets Department for traffic safety and roadway maintenance purposes.

The Department's successful pursuit of available grants funding over the years has resulted in significant authorized grant-related appropriations. Grant funding increases have come principally from state funding associated with PennDOT's Automatic Red-Light Enforcement (ARLE) funding and City Automated Speed Enforcement (CASE) programs.

The Department also receives grant funding from federal sources. Federal grant funding is provided through the Department of Transportation under a National Bridge Inspection grant. There is also a federally-funded grant through the Delaware Valley Regional Planning Commission for supportive regional highway planning purposes.